

# NZ's alcohol beverages industry

adding value to New Zealand's financial, social and environmental economies



Socialising with family, friends, or workmates over food and a drink is a part of New Zealand's social culture

**78%**  
of Kiwis

are comfortable with alcohol being part of social occasions, including 78% of non-drinkers



**\$1.92 billion**

contribution to Gross Domestic Product



**\$1.819 billion**

in taxes (excise and GST) to government



**\$2.09 billion**

generated from exports



**1,855 businesses**

beer, wine, spirits producers nationwide



**31,123 jobs**

10,210 direct jobs | 20,913 indirect jobs



**\$2.02 billion**

purchased from other industries



As part of the value chain, the Hospitality sector generates **\$14.6 billion** in consumer spend, contributes **\$6.8 billion** to GDP, and employs **172,458** Kiwis



**Four in five** Kiwis drink moderately

**47%** consumed low-alcohol beverages in 2021 (+7% on 2020)

**82%**

drink at or below the weekly limit of Ministry of Health's low-risk alcohol drinking advice

**92%**

have at least two alcohol-free days as per the Ministry of Health's low-risk alcohol drinking advice

**78%**

agree with targeted support and education as the best ways to reduce alcohol-related harm

## Environmental and sustainability commitments

- Reducing carbon emissions
- Sustainable packaging
- Zero waste to landfill
- Renewable energy
- Reducing water consumption
- Sustainable supply chains
- Sourcing local goods and services
- Regeneration and restoration plantings
- Circular economy initiatives
- Biosecurity
- United Nation's Sustainable Development Goals
- Climate Leaders Coalition
- Toitū carbon zero certification



**75%**

recovery rate for glass

through the Glass Packaging Forum Product Stewardship Scheme

Sources: Refer to NZIER Report: Alcohol Beverages Industry (February 2022)

**March 2022**

**The NZIER Alcohol Beverages Industry report was produced by the NZ Institute of Economic Research (NZIER) for the NZ Alcohol Beverages Council with additional information provided by its members.**

We are proud of the story this report tells about the industry and its contribution to New Zealand's economic, social and environmental economies.

### **Economic contribution to our economy**

Our industry contributes \$1.92 billion to GDP, generates \$2.09 billion in exports, and pays \$1.819 billion in taxes through excise tax and GST. From rural boutique distilleries to city-based head offices, we directly employ around 10,200 people, and indirectly another 20,913 people in our supply chain from hops growers to packaging providers. Our industry, like many others, has been impacted by COVID-19. The impact has been felt in hospitality closures, skilled worker shortages and transport and logistics issues. These are challenging times, yet our industry is pragmatic and forward-thinking.

### **People are the heart of our industry**

People are at the heart of our industry. We are employers, taxpayers, farmers, environmentalists, sustainable manufacturers, innovators, small businesses, entrepreneurs, charity and community partners, and parents. Our brewers, winemakers and distillers take pride in their work and want the people who consume their world-class beverages to appreciate their crafts in moderation. We champion responsible consumption as it is the foundation for our industry to be sustainable for the long term.

### **Kiwis are drinking responsibly**

The majority of New Zealanders drink responsibly. Since the 1970s and 80s, alcohol consumption has been trending downwards, and we now drink around 25 per cent less and less harmfully. This reflects a global trend. New Zealanders are also choosing better quality beverages through premium spirits, cocktails, fine wines and craft beers. Consumers tend to 'sip and savour' these premium products. We are also innovating in response to the growing demand for no- and low-alcohol beverages to provide more choices for our customers. Consumer research shows that nearly half (47%) of Kiwis consumed low-alcohol drinks in the past year, up 7% since 2020.

### **Commitment to a sustainable future**

Environmentally, small and large businesses in our industry have committed to making changes to support local and global carbon and sustainability targets. This is driving innovation towards a circular economy in supply chains, packaging, manufacturing, water use and waste.

### **A passionate and responsible industry**

We are passionate about our industry and proud of our contribution to New Zealand. We will continue to be responsible in producing our beer, wine and spirits and promoting moderate consumption as part of a balanced lifestyle.

Yours sincerely,

Kevin Mapson  
Chair, NZ Alcohol Beverages Council  
Commercial Managing Director Pacific, Pernod Ricard Winemakers